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**FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY**

**COALITION OF SMALL SYSTEM OPERATORS REPLY
TO JOINT COMMENTS OF BELL ATLANTIC, GTE AND THE NYNEX
TELEPHONE COMPANIES IN RESPONSE TO FURTHER NOTICE OF
PROPOSED RULEMAKING**

The Telephone Company Comments start from the basic premise that the rates of all systems facing private competition ("Type B systems") and all municipal overbuilders ("Type C systems") reflect competitive prices that would support long-term competition among systems. This premise does not hold up

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under scrutiny. As explained in the Coalition's Comments, 2/ the rates charged by Type B systems that have faced competition for five years or less typically represent below-cost, price war rates, not rates that are at pricing equilibrium. See Coalition Comments, Arthur Andersen Declaration, at 11-12. Systems facing private competition typically do not begin to charge rates that would sustain long-term competition until after five years of competition. *Id.* Similarly, rates for Type C systems (i.e. municipal systems) do not represent rates that would support long-term competition because Type C systems have substantial cost advantages over privately-owned systems (such as free access to public rights-of-way and low cost

higher than "competitive" systems' rates because they exceed the rates charged by Type B and C systems, it makes far more sense based on the available evidence to conclude that Type B and C systems' rates typically are too low, and that only those systems with less than 30 percent penetration reflect rates that would sustain long-term competition.

In addition to this fundamental error in the premise of the Telephone Company Comments, the factual development is lacking and the analysis is incomplete. There are numerous factual errors in the Comments. ^{3/} Where facts are lacking, assumption and innuendo fill the gaps. For example, the Comments speculate that cable operators under-reported penetration rates in order to evade regulation. This speculation is allegedly based on "anecdotal responses" in telephone conversations with unnamed "local cable administrators." See Telephone Company Comments at 3. This type of undocumented, self-serving hearsay has no place in the record of this proceeding.

In an attempt to discredit the competitive nature of systems with less than 30 percent penetration, the Telephone Company Comments provide a "Summary of Systems," listing most of the systems with less than 30 percent penetration that were included in the FCC's rate survey, and giving a rationalization (based on assumptions and hearsay) to explain each system's low penetration rate. The explanations of these systems' low penetration rates go to great lengths to avoid the admission that any of these systems faces competition. Among the systems with less than 30 percent penetration are 15 systems owned by

^{3/} For example, Table 4 attached to the comments purports to report the median age of adults in the franchise areas analyzed in the Comments. Just a few pages following Table 4, in the Comments' "Summary of Systems," the median age for residents in 13 of the franchise areas does not match the information in Table 4, from which the information is supposedly gleaned.

members of the Coalition of Small System Operators. The record with respect to these systems bears correcting.

Based on the Telephone Company Comments, one would believe that rates for the Type A systems in the Summary of Systems would far exceed the rate benchmarks established by the Commission in this proceeding because, according to the basic presumption of the Comments, these systems' rates far exceed the benchmark norm because they are not disciplined by competition. However, of the Coalition members' systems in the Summary of Systems, the vast majority provide basic service at or below the applicable benchmark rate. See attached surveys. 4/ Of the Small System Operators' systems with basic rates that exceed the benchmarks, one has 4 subscribers and one has 25 subscribers. None has more than 500 subscribers. Of course, these very small systems must charge a premium in order to cover their cost of providing service to a very limited potential subscriber base.

The following analysis responds on a franchise-by-franchise basis, to the allegations in the Summary of Systems:

Franchise Area:	Apache Junction, Arizona
Cable Operator:	Triax Midwest Associates
Penetration Rate:	13.1%
Subscribers:	2,729
Basic Rate:	\$0.61 per channel
Benchmark Rate:	\$0.62 per channel

The Telephone Company Comments allege that low penetration here is attributable to a high percentage of seasonal residents, low median income, and an older adult population in the area. This "factual" information is based on a hearsay statement of city employee, who also suggests that the penetration rate is understated because mobile homes should be excluded from calculations of

potential subscribers in Apache Junction, and 7 video rental stores. This large number of alternative video sources is likely the cause of the low penetration here.

Franchise Area: Bassett, Arkansas
Cable Operator: Douglas Communications Mid-South
Penetration Rate: 27.8%
Subscribers: 22
Basic Rate: \$1.20 per channel
Benchmark Rate: \$1.27 per channel

The Telephone Company Comments suggest that the low penetration rate here is attributable to low median household income and high price per channel. Moreover, the Comments specifically state that "[t]he operator reported no multi-channel video competitor in this area." Summary of Systems at 2-3. In fact, the price per channel charged in this franchise area is not "high", but falls under the Commission's existing rate benchmarks. ^{5/} In direct contradiction to the statement in the Telephone Company Comments, Douglas Communications Mid-South reported in its rate survey that it does, in fact, face competition from Ruralvision, an MMDS operator that makes service available to 100 percent of the homes in this franchise area. In addition, there are seven off-air broadcast signals available in this area which provide competition for video programming services.

Franchise Area: Crawfordville, Arkansas
Cable Operator: Douglas Communications Mid-South
Penetration Rate: 27.2%
Subscribers: 72
Basic Rate: \$1.20 per channel
Benchmark Rate: \$1.22 per channel

The Telephone Company Comments allege that low median income, an older population and seasonal population fluctuations account for the low penetration rate here. These factors all contribute to the low penetration rate. But a contributing factor is that there are seven off-air broadcast signals available in Crawfordville.

^{5/} The Coalition of Small System Operators has requested reconsideration of the rate regulation rules, including the methodology for developing benchmarks. Even though the Coalition believes that the current benchmark levels are in error, the Coalition urges on reconsideration that the Commission utilize a methodology that would increase the benchmark levels. Therefore, to the extent that the Coalition members cited in the Summary of Systems meet existing benchmarks, this does not indicate that the Coalition endorses the rates, but rather that these systems' rates are extremely low.

Franchise Area: Keo, Arkansas
Cable Operator: Community Communications Co.
Penetration Rate: 23.7 percent
Subscribers: 19
Basic Rate: \$1.55*
Benchmark Rate: \$1.29

*Includes Showtime

The Telephone Company Comments allege that high price, low median income and older demographics account for the low penetration rate here. However, high price has nothing to do with penetration here. Last February, Community sent out a letter to all potential subscribers asking whether anyone would subscribe if Showtime was dropped and rates were lowered. Not a single favorable response was received. The availability of 7 off-air broadcast signals likely contributes to the low penetration in Keo. As a footnote, this system will be deactivated in August as a direct result of the crushing burdens imposed by the new Federal regulations.

Franchise Area: Turrell, Arkansas

Franchise Area: Washington Park, Illinois
Cable Operator: Triax Midwest
Penetration Rate: 23.1%
Subscribers: 572
Basic Rate: \$1.07 per channel
Benchmark Rate: \$1.20 per channel

The Telephone Company Comments attribute the low penetration in this area to low median household income and high per channel price. However, the per channel price for basic service here is below the existing benchmark. Also, there are eight off-air television broadcast signals available here.

Franchise Area: Lake Wabaunsee, Kansas
Cable Operator: Douglas Cable Communications
Penetration Rate: 20.7%
Subscribers: 45
Basic Rate: \$1.57
Benchmark Rate: \$1.64

It is true that Lake Wabaunsee is a very sparsely populated, agricultural community. However, the Telephone Company Comments incorrectly identify this, too, as a community where "high price" contributes to low penetration. In fact, the per channel rate here is well below the existing benchmark rate. Furthermore, there are seven off-air television broadcast signals providing video competition in this area.

Franchise Area: Middleburg, Ohio
Cable Operator: Triax Cablevision USA
Penetration Rate: 22.2%
Subscribers: 4
Basic Rate: \$4.19 per channel
Benchmark Rate: \$2.91 per channel

The Middleburg area is served by seven off-air television broadcast stations. Although the per channel price here is high, these rates are necessary to maintain this 4-subscriber system.

Franchise Area: Kellettsville, Pennsylvania
Cable Operator: Triax Cablevision USA
Penetration Rate: 12.8%
Subscribers: 10
Basic Rate: \$2.01 per channel
Benchmark Rate: \$1.87 per channel

The Telephone Company Comments attribute the low penetration here to seasonal population fluctuation, low median income, older demographics and high per channel prices. It is true that seasonal population fluctuations play a role in the low penetration for this system. However, rates here are completely justified. The very small number of subscribers in this franchise area (10) and the very small number of subscribers in the entire system (25) require a higher per channel rate in order to maintain the system.

Franchise Area: Kingsley, Pennsylvania
Cable Operator: Triax Cablevision USA
Penetration Rate: 12.9%
Subscribers: 15
Basic Rate: \$2.01
Benchmark Rate: \$1.85

As pointed out in the Telephone Company Comments, this very small system which is part of the Kellettsville system, with a system-wide total of 25 subscribers, charges rates above the benchmarks. Higher rates are necessary due to the very limited number of subscribers from whom to recover the system's costs.

Franchise Area: East Bernard, Texas
Cable Operator: Star Cable Associates
Penetration Rate: 30.4
Subscribers: 277
Basic Rate: \$1.77 per channel
Benchmark Rate: \$1.51 per channel

The Telephone Company Comments attribute the low penetration here to low median income, an older population and a high price for service. In fact, the average household income in East Bernard is not \$21,641 as alleged in Table 4 of

Franchise Area: Holiday Lakes, Texas
Cable Operator: Star Cable Associates
Penetration Rate: 21.7%
Subscribers: 91
Basic Rate: \$0.95
Benchmark Rate: \$0.92

Even though the Telephone Company Comments cite hearsay accounts of a flood that occurred in 1992 and subsequent recovery efforts to explain the low penetration in Holiday Lakes, the penetration rate has remained constant since Star Cable Associates acquired the system in 1988. That there are 14 off-air broadcast signals available in this area provides a more likely explanation for the consistent low penetration here.

Franchise Area: Wallis, Texas
Cable Operator: Star Cable Associates
Penetration Rate: 30.4%
Subscribers: 120
Basic Rate: \$1.77
Benchmark Rate: \$1.51

Contrary to the Telephone Company Comments, the population here is not older, and certainly does not have a median age of 50 years. Instead, the median adult age in Wallis is 43.4 years, only slightly older than the national median adult age, 41.4 years. *Id.* The per channel rate here exceeds the Commission's current benchmarks, but the additional per channel rate is necessary to sustain this small system, which has a total of 427 subscribers from whom to recover the costs of maintaining the 65 miles of plant. With this average of 6.5 subscribers per mile of plant, per subscriber construction and maintenance costs are very high.

Franchise Area: Fruitvale, Texas
Cable Operator: Friendship Cable of Texas
Subscribers: 96
Basic Rate: \$0.99
Benchmark Rate: \$0.88

There are 14 off-air television broadcast stations available to potential subscribers in Fruitvale. This combined with the many other entertainment opportunities available in the Dallas Metropolitan area, is responsible for the low penetration rate here.

CONCLUSION

There are various factors that contribute to low penetration rates, including the availability of other programming sources, such as broadcast television, older median age demographics and below average income. Particularly where, as here, there are a number of broadcast stations available to potential subscribers, the competition provided by off-air broadcast stations should not be underestimated as a factor in residents' decisions with respect to cable subscription. Certainly the speculation submitted in the Telephone Company Comments does not provide a sufficient basis for discounting systems with less than 30 percent penetration when calculating competitive systems' rates. Indeed, as detailed in the Coalition of Small System Operators' Comments in this proceeding, Type A systems provide the best measure of rates for competitive systems in view of the many problems and uncertainties with the rates charged by Type B and Type C Systems.

In view of the foregoing, the Coalition of Small System Operators

CERTIFICATE OF SERVICE

I hereby certify that copies of the foregoing Reply Comments were mailed by First Class mail, postage prepaid this 2nd day of July, 1993 to:

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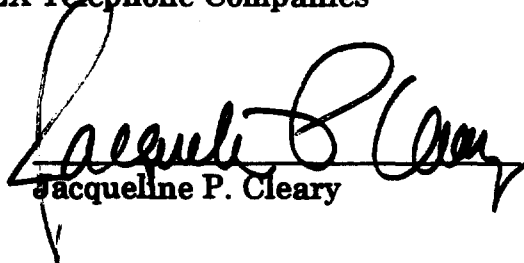
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CABLE "DOWLA"
TELEX 425846

January 22, 1993

92-266

Attachment

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JAN 22 1993

Federal Communications Commission
Washington, D.C. 20554

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

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FEB 12 1993
TRIAX MIDWEST ASSOCIATES, L.P.
1000 FILLMORE STREET, 1600
DENVER, CO. 80202

Cable Television Branch
Room 244
Federal Communications Commission
Washington DC 20554
Attn: Rate Questionnaire

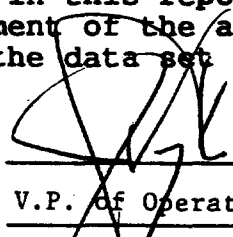
**CABLE TV SYSTEM OPERATORS RATE STRUCTURE QUESTIONNAIRE
ISSUED PURSUANT TO FCC ORDER 92-545**

This questionnaire is intended to provide the FCC with information regarding rates and other characteristics of the cable industry. The data will be used to assess general cable industry rate relationships. Your response is mandatory.

Legal Name of Cable System: Triax Midwest Associates, L P

Doing Business As: Triax Cablevision

I certify that I have examined the attached report, that to the best of my knowledge, information and belief, all statements of fact contained in this report are true and that said report is an accurate statement of the affairs of the above named respondent in respect of the data set forth herein:



V.P. of Operations

1 / 21 / 93

Signature of respondent
Title of respondent
Date signed

THIS COVER PAGE MUST BE SIGNED AND RETURNED WITH THE ORIGINAL AND 3 COPIES OF THE FULL QUESTIONNAIRE BY FRIDAY JANUARY 22, 1993 TO:

Cable Television Branch
Room 244, FCC
Washington DC, 20554
Attn: Rate Questionnaire

HOW TO COMPLETE THIS QUESTIONNAIRE

The franchise area to which this questionnaire is addressed has been selected by random or other means to form part of a

FCC USE Identifier: M M B | | | | | 1011

SCHEDULE 1

CABLE SYSTEM INFORMATION

Line	Item:
1	Legal name of cable system Triax Midwest Associates L P
2	System is "Doing Business As" Triax Cablevision
3	City or town, county and state in which system is located Apache Jnt. Pinal County Arizona
List all communities served by this system, zip code of community, Community Unit ID Number and the name of each community's Franchise Authority	
	Zip Community Franchise

FCC USE Identifier: M M B | | | | | 10 | 2 |

SCHEDULE 2

CABLE SYSTEM CHARACTERISTICS

All information provided should be as of September 30, 1992.

Line	Item:
1	Number of households in the system area *
2	Number of households passed 12 2 5 7 6
3	Number of households subscribing 13 3 6 0
4	Number of addressable subscribers 10
5	What is the main type of addressability? (e.g., one-way, two-way, impulse) None
6	Number of headends serving the system
7	Age of principal headend 8 years
8	Total line miles of distribution plant in the system 2 9 5 miles
	Percentage of line miles of distribution plant which is:
9	- above ground: 6 8 %
10	- below ground: 3 2 %
11	- fiber: 10 %
12	Is the system required to bury all cable drops? (Circle one.) Yes <u>No</u> **
13	Is the system part of a Multiple System Operator (MSO) of 2 or more systems? (Circle one.) <u>Yes</u> No
14	If you responded "Yes" on line 13, how many systems are in the MSO? 4 6 6

* Unavailable

** When other utilities are buried, then our drops are required to be buried also. This is pursuant to the franchise agreement.

FCC USE Identifier: M M B | | | | | 10 | 3 |

SCHEDULE 3

CABLE SYSTEM ANNUAL REVENUE

All information should be for the latest complete fiscal year.

Line	Item:
1	Fiscal year ending date: Month 1 2 Day 3 1 Year 9 2
	Revenue from: AMOUNT (omit cents)
2	- subscriptions to your basic tier \$ 10 3 11 9 7 4
3	- other tier subscriptions \$ 0
4	- pay channel subscriptions \$ 1 7 8 1 3 8
5	- pay-per-view charges \$ 6 9 1 3
6	- advertising on basic tier \$ 0
7	- advertising on other tiers \$ 0
8	- advertising on pay and pay-per-view \$ 0
9	- installation charges \$ 7 3 3 2 5
10	- equipment rental \$ 3 6 3 1 2
11	- additional outlet charges \$ 3 5 7
12	- other revenue \$ 2 2 0 6 4
13	Total revenue \$ 13 4 9 0 8 3
	If you show an amount on line 12 for other revenue, indicate the type(s) of revenue:
	Late Charges Home Shopping Network
	Guides
14	What is the value of any non-revenue benefits, such as promotional advertising, received by the system for providing cable services during the fiscal year?
15	\$ 0
	Specify the type(s) of non-revenue benefits received:
16	None

FCC USE

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SCHEDULE 4

COMPETITION IN FRANCHISE AREAS

Line	Item:				
1	<p>Do fewer than 30 percent of the households in any franchise area served by the system subscribe to any cable services (of this or any cable system)? (Circle one.)</p> <p style="text-align: right;"><input checked="" type="radio"/> Yes <input type="radio"/> No</p>				
2	<p>If you answered "Yes" on line 1, list the franchise areas with less than 30 percent of households subscribing to this or any cable service and the estimated percentage of households subscribing to any cable service in these franchise areas:</p> <table border="1"> <thead> <tr> <th>Franchise areas with less than 30% of households subscribing to this or any cable service</th> <th>Estimated % of households subscribing to this or any cable service.</th> </tr> </thead> <tbody> <tr> <td>Apache Junction</td> <td>13%</td> </tr> </tbody> </table>	Franchise areas with less than 30% of households subscribing to this or any cable service	Estimated % of households subscribing to this or any cable service.	Apache Junction	13%
Franchise areas with less than 30% of households subscribing to this or any cable service	Estimated % of households subscribing to this or any cable service.				
Apache Junction	13%				
3	<p>Does any competitor* offer similar service to at least 50 percent of households in any franchise area served by this system? (Circle one.)</p> <p style="text-align: right;"><input type="radio"/> Yes <input checked="" type="radio"/> No</p>				

* For the purposes of Schedule 4, a competitor could include:

- another unaffiliated cable operator;
- a multi-channel multi-point distribution service (MMDS);
- a direct broadcast satellite (DBS) service;
- a television receive-only (TVRO) satellite program distributor; or
- a satellite master antenna television (SMATV) system.

However, a competitor must offer a similar service by making available for purchase by subscribers or customers multiple channels of video programming.

SCHEDULE 4 CONTINUED

COMPETITION IN FRANCHISE AREAS

Line	Item:						
	<p>If you answered "Yes" on line 3, list the franchise areas which have competitors which offer similar services to at least 50% of households, the name of all such competitors in each franchise area and your estimate of the percentage of households in each franchise area to which each competitor offers similar services.</p> <table border="1"> <thead> <tr> <th>Name of franchise area in which a competitor offers similar service to at least 50% of households</th> <th>Name of all such competitors in each franchise area</th> <th>Percentage of of households to which such competitors offer service</th> </tr> </thead> <tbody> <tr> <td></td> <td></td> <td></td> </tr> </tbody> </table>	Name of franchise area in which a competitor offers similar service to at least 50% of households	Name of all such competitors in each franchise area	Percentage of of households to which such competitors offer service			
Name of franchise area in which a competitor offers similar service to at least 50% of households	Name of all such competitors in each franchise area	Percentage of of households to which such competitors offer service					
4							
	<p>Does a franchising authority offer video programming service to at least 50 percent of households in any franchise area served by this system? (Circle one.)</p> <p>Yes <input type="radio"/> No <input checked="" type="radio"/></p>						
5							
	<p>If you answered "Yes" on line 5, list the franchise areas in which franchise authorities offer video programming services to at least 50% of households, the name of the franchise authority and your estimate of the percentage of households in the franchise area to which they offer services.</p> <table border="1"> <thead> <tr> <th>Name of franchise area in which franchise authority offers video programming</th> <th>Name of franchise authority</th> <th>Percentage of of households</th> </tr> </thead> <tbody> <tr> <td></td> <td></td> <td></td> </tr> </tbody> </table>	Name of franchise area in which franchise authority offers video programming	Name of franchise authority	Percentage of of households			
Name of franchise area in which franchise authority offers video programming	Name of franchise authority	Percentage of of households					
6							

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SCHEDULE 5

FIRST FRANCHISE AREA: CHARACTERISTICS

The first franchise area is the one to which this questionnaire is addressed. All information provided should be as of September 30, 1992.

Line	Item:	
1	Name of franchise area	Apache Junction
2	Community Unit ID No. of this franchise area	A Z 0 2 1 0
3	Number of households in this franchise area	*
4	Number of households in this franchise area which are passed by system distribution plant	2 0 8 1 0
5	Number of households in this franchise area which subscribe to this system	2 7 2 9
6	Number of addressable subscribers in this franchise area	0
7	What is the main type of addressability? (e.g., one-way, two-way, impulse)	None
8	Number of headends serving franchise area	1
9	Age of principal headend	8 years
10	Line miles of distribution plant in this franchise area	12 0 0 miles
11	Percentage of line miles of distribution plant in line 10 which is:	
12	- above ground:	65 %
13	- below ground:	35 %
13	- fiber:	0 %
14	Is the franchise required to bury all cable drops? (Circle one.)	Yes No **

* Unavailable

**When other utilities are buried, then our drops are required to be buried also. This is pursuant to the franchise agreement.

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FIRST FRANCHISE AREA:
FRANCHISE AUTHORITY FEES AND CHARGES

Line	Item:
1	<p>What is the total of franchise fees paid in the last completed fiscal year for this franchise area?</p> <p style="text-align: right;">\$ 1 1 1 3 2 7 4 8</p>
2	<p>Show how this payment is calculated and incurred. Show either the amount per subscriber or the percentage of basic or total subscriber revenue, as appropriate:</p> <p style="text-align: right;">\$ 1 1 1 . 1 per subscriber per year</p>
3	<p>or</p> <p style="text-align: right;">. 1 % of basic subscriber revenue</p>
4	<p>or</p> <p style="text-align: right;">3.0 0 % of total subscriber revenue</p>
5	<p>Does the franchise fee appear as a separate line item on the subscriber's monthly bill? (Circle one.)</p> <p style="text-align: right;">Yes <u>No</u></p>
6	<p>Apart from those in lines 2, 3 or 4, specify any other fees, taxes or charges by the franchise authority paid for this franchise (e.g., fixed amounts, equipment-related charges). Specify the amount, how the total payment is calculated and the frequency of payment. Include only fees, taxes and charges specific to the cable industry. Do not include general fees, taxes or charges such as sales tax or corporate income tax.</p> <p style="text-align: right;">None</p>
7	<p>Which, if any, of the fees, taxes or charges shown on line 6 appear as separate line items on the subscriber's monthly bill?</p> <p style="text-align: right;">None</p>

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SCHEDULE 7

FIRST FRANCHISE AREA:
1992 TIERS, CHANNELS AND CHARGES

Provide the information required for each of:

- o equipment and supplementary charges;
- o the basic tier as provided in the franchise area;
- o each of the two other tiers which have the most subscribers;
and
- o all channels in the franchise.

All charges, channels and subscriber information provided should be as of September 30, 1992.

Line	Item:
	EQUIPMENT AND SUPPLEMENTARY CHARGES
	Average charges:
1	- installation fee \$ 4 5.0 0
2	- disconnect fee \$ 1 0 0
3	- reconnect fee \$ 4 5.0 0
4	- monthly converter box rental \$ 1 0 0
5	- monthly remote control rental \$ 1 3.5 0
6	- monthly additional outlet fee \$ 1 3.5 0
7	- tier changing fee \$ 1 0 0
	List any other equipment and supplementary charges which are not included in lines 1 through 7. (Show amount and type of charge.) First Converter is free, add'l Converters at 2.00/ea
	Upgrade - 25.00 Late Charge - 3.00
	Trip Charge - 25.00 A/B Switch - 10.00
	Guides - 1.00 Parental Lockbox - 10.00
8	
	For the last completed fiscal year give the number of:
9	- installations provided 1 3 1 9
10	- disconnections 1 0 2 4
11	- reconNECTIONS 8 0 3
	For the last fiscal year, give the average number of:
12	- converter boxes rented 0
13	- remote control units rented 6 3 5
14	- additional outlets charged for 7 6 6
15	- tier changes charged for 0
	If you listed any additional charges on line 8, list the average volumes for each item in the last fiscal year:
	Converter - 0 Guides - 0
	Upgrade - 0 Late Charges - 0
	Trip Charge - 3 A/B Switch - 0
16	Parental Lockbox - 0

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SCHEDULE 7 CONTINUED

FIRST FRANCHISE AREA:
1992 TIERS, CHANNELS AND CHARGES

Line	Item:	
	BASIC TIER	
17	Subscribers to the basic tier	2 7 2 9
	Number of:	
18	- local TV broadcast stations	9
19	- distant TV broadcast stations	2
20	- satellite-delivered cable network channels	2 2
21	- public educational government access channels	3
22	- other channels in the basic tier	10
23	Total number of channels in the basic tier	3 6
24	Monthly subscription charge	\$ 2 2 . 0 4
	What other charges are incurred for the basic service tier? (Show amount and type of charge.)	
25		None
	SECOND TIER	
26	Subscribers to this tier	
	Number of:	
27	- local TV broadcast stations	
28	- distant TV broadcast stations	
29	- satellite-delivered cable network channels	
30	- public educational government access channels	
31	- other channels in this tier	
32	Total number of channels in this tier	
33	Monthly subscription charge for this tier only	\$.
	What other charges are incurred for the second tier? (Show amount and type of charge.)	
34		

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SCHEDULE 7 CONTINUED

FIRST FRANCHISE AREA:
1992 TIERS, CHANNELS AND CHARGES

	THIRD TIER	
35	Subscribers to this tier	
	Number of:	
36	- local TV broadcast stations	
37	- distant TV broadcast stations	
38	- satellite-delivered cable network channels	
39	- public educational government access channels	
40	- other channels in this tier	
41	Total number of channels in this tier	
42	Monthly subscription charge for this tier only \$.	
	What other charges are incurred for the third tier? (Show amount and type of charge.)	
43		

	ALL CHANNELS IN THIS FRANCHISE AREA	
44	Total channels in basic tier (as in line 23)	3 6
45	Total channels in second tier (as in line 32)	1 0
46	Total channels in third tier (as in line 41)	1 0
47	Total channels in any other tiers	1 0
48	Total pay channels	1 5
49	Total pay-per-view channels	1 1
50	Any other channels in this franchise area	1 0
51	Total of all channels in this franchise area	4 2

The information provided for Schedule 8 is based on the 1986/2
Copyright filing by a previous owner. Triax has no direct
Knowledge as to its accuracy.

FCC USE Identifier: M M B | | | | | 10 | 8 | A |

SCHEDULE 8

FIRST FRANCHISE AREA:
1986 TIERS, CHANNELS AND CHARGES

Line	Item:
	Did the system provide programming services in this franchise area in November 1986? (Circle one.)
A.1	<input checked="" type="radio"/> Yes <input type="radio"/> No

If you answered "Yes" on line A.1, you must complete the rest of Schedule 8 to the best of your ability.

If you answered "No" on line A.1, skip the rest of Schedule 8 and go to Schedule 9.

	As of November 30, 1986, was the franchise area rate regulated? (Circle one.)
A.2	<input checked="" type="radio"/> Yes <input type="radio"/> No

Provide the information required on the next three pages for:

- o equipment and supplementary charges;
- o the basic tier as provided in this franchise area;
- o each of the two other tiers which had the most subscribers; and
- o all channels in the franchise.

All charges and subscriber information provided in this Schedule should be as of November 30, 1986.